Clean Coal Facility Analysis – Tenaska RFP Vendor Conference Call Question & Answer April 27, 2009 at 10:00AM

Question #1:

Regarding pricing, Section 7, are estimates allowed for the number of days and hours of potential oral testimony before Illinois General Assembly Committees?

Answer #1:

This question is actually related to "Section 8 – Contract" and not to Section 7. Estimated days and hours of testimony before Illinois General Assembly Committees are acceptable since the number of days and hours of required testimony is unknown at this time. Be sure to document that the amounts are estimates and include any assumptions you used in determining the estimated amounts.

Question #2:

Regarding Section 3.2.4.5.3.4, should Vendor estimate potential carbon leakage?

Answer #2:

Yes, it is important to consider potential leakage of sequestered carbon, assuming vendors believe it is reasonable that such a leakage will occur. Again, please identify any assumptions used to make any determination that potential leakages will occur and the significance and magnitude of that leakage.

Question #3:

Regarding Section 3.2.4.12, should the analysis of the rate impacts be made individually for every Illinois utility covered by law?

Answer #3:

No, vendors should propose an analysis of the rate impacts on residential and small business customers based on the change in the rate and how the change impacts both the dollars per kilowatt-hour and the dollars per year for typical customers and usage.

Question #4:

Regarding Section 3.2.4.11.2, in determining the marginal costs is there a specific forward coal price forecast to be used or are Vendors supposed to use proprietary knowledge of coal pricing?

Answer #4:

The Commission does not dictate coal price forecasting methods available to vendors. Vendors should make their best proposals.

Question #5:

Regarding Section 3.2.4.10 & 11, what time frame should the vendors use in determining the electric generating capacity factor?

Answer #5:

Five years seems like a reasonable choice. However, vendors should make their own proposals and justify their choices.